

Message Text

UNCLASSIFIED

PAGE 01 MONTRE 00606 142204Z
ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 CAB-05 CIAE-00 COME-00
DODE-00 DOTE-00 INR-07 NSAE-00 FAA-00 IO-13 L-03
OIC-02 /051 W
-----150538Z 078883 /12

R 142130Z APR 77
FM AMCONSUL MONTREAL
TO SECSTATE WASHDC 8839

UNCLAS MONTREAL 606

E. O. 11652: N/A
TAGS: EAIR, ICAO, PORG
SUBJ: ICAO: FIRST REPORT US DEL/SPECIAL AIR TRANSPORT CONFERENCE,
APRIL 13.

1. THE CONFERENCE WAS OPENED BY PRESIDENT OF COUNCIL, AS TEMPORARY CHAIRMAN OF THE CONFERENCE, AT THE FIRST PLENARY MEETING AND WAS ADDRESSED BY THE CHAIRMAN OF THE AIR TRANSPORT COMMITTEE.

SECRETARY GENERAL REPORTED THAT AT THE OPENING OF THE CONFERENCE 86 CONTRACTING STATES, 2 NON-CONTRACTING STATES AND 9 INTERNATIONAL ORGANIZATIONS HAD REGISTERED.

CONFERENCE ADOPTED ITS AGENDA AND ESTABLISHED COMMITTEE A TO DEAL WITH AGENDA ITEMS 4 AND 1 AND COMMITTEE B TO DEAL WITH AGENDA ITEMS 2 AND 3.

2. FOLLOWING OFFICERS ELECTED:

CHAIRMAN OF THE CONFERENCE: DR. W. GULDIMANN, SWITZERLAND;
FIRST VICE-CHAIRMAN: MR. A. K. SARKAR, INDIA;
SECOND VICE-CHAIRMAN: MR. G. A. MIRZOYAN, USSR;
CHAIRMAN, COMMITTEE A: MR. A. N'DOYE, SENEGAL;
CHAIRMAN, COMMITTEE B: MR. E. SUAREZ MIER Y TERAN, VENEZUELA.

3. CANADA, PRC, CZECHOSLOVAKIA, FRG, ITALY, JAPAN, ROK, POLAND, TUNISIA, TURKEY, UNITED STATES AND YUGOSLAVIA AND BY THE OBSERVERS FROM DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA, AFCAC, IACA, AACC,
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 MONTRE 00606 142204Z

CACAS, IATA AND WTO MADE OPENING STATEMENTS. FOLLOWING IS U.S. STATEMENT:

"THE UNITED STATES LOOKS FORWARD TO PARTICIPATING IN THIS CONFERENCE CONSTRUCTIVELY AND POSITIVELY. IN OUR PREPARATIONS FOR THE IMPORTANT TWO WEEKS BEFORE US WE HAVE STUDIED CAREFULLY THE FOUR ITEMS ON THE CONFERENCE AGENDA. WE ARE IMPRESSED BY HOW CLOSELY INTER-RELATED THEY ARE, AND HOW IMPORTANT IT IS THAT CONSIDERATION

OF ANY ONE TAKE THE OTHERS INTO ACCOUNT.

"THE UNITED STATES BELIEVES THAT THE INTERNATIONAL AIR TRANSPORTATION SYSTEM SHOULD PROVIDE THE INCENTIVES AND INNOVATION NECESSARY TO ASSURE THAT ALL NATIONS OF THE WORLD AND THEIR TRAVELERS AND SHIPPERS HAVE AVAILABLE TO THEM SAFE, ECONOMIC, EFFICIENT, AND RELIABLE AIR SERVICE. IF INCENTIVE AND INNOVATION ARE NOT ENCOURAGED, THE OBJECTIVES SET FORTH IN THE PREAMBLE TO THE CHICAGO CONVENTION CANNOT BE ACHIEVED AND THE CONTRIBUTION THAT AIR TRANSPORTATION CAN MAKE TO ECONOMIC DEVELOPMENT CANNOT BE FULLY REALIZED.

"TO HAVE THIS KIND OF A SYSTEM, A SUFFICIENT DEGREE OF COMPETITION IS NECESSARY. TODAY COMPETITION EXISTS SOLELY WITH REGARD TO CAPACITY. CAPACITY IS APPROACHED BY DIFFERENT GOVERNMENTS IN DIFFERENT WAYS, RANGING FROM A FEW WHICH OFFER OPEN SKIES TO THOSE WHICH ADVOCATE PREDETERMINATION OF CAPACITY EITHER BY INTER-GOVERNMENTAL OR INTER-AIRLINE AGREEMENTS. WITH ONLY A FEW EXCEPTIONS, NO COUNTRY APPEARS TO SUPPORT THE CONCEPT THAT AIRLINES SHOULD BE FREE TO USE CAPACITY AS AN UNLIMITED COMPETITIVE TOOL. WE ARE ALL CONCERNED ABOUT EXCESS CAPACITY. THE UNITED STATES, HOWEVER, VIEWS EXCESS CAPACITY AS A SHORT TERM PROBLEM, AND WE ARE CONCERNED THAT ANY SYSTEM OF CAPACITY PREDETERMINATION, WHILE IT MIGHT AMELIORATE THE SHORT TERM PROBLEM, IS LIKELY IN THE LONG TERM TO REMOVE THE INCENTIVES THAT AIRLINES MUST HAVE IF THE BASIC GOALS OF INTERNATIONAL AVIATION ARE TO BE ACHIEVED.

"OF EQUAL IMPORTANCE TO ACHIEVING THESE GOALS IS FOR AIRLINES TO PASS ON TO THE CONSUMING PUBLIC IN THE FORM OF RELATIVELY LOWER FARES AND RATES THE SAVINGS THAT THEY MIGHT ACHIEVE BY OPERATING AT HIGHER LOAD FACTORS. THE CURRENT
UNCLASSIFIED

UNCLASSIFIED

PAGE 03 MONTRE 00606 142204Z

SYSTEM FOR ESTABLISHING FARES AND RATES UNFORTUNATELY DOES NOT CONTAIN SUFFICIENT FLEXIBILITY TO BRING ABOUT THIS RESULT. CLOSELY RELATED TO BOTH OF THESE PROBLEMS IS THE ISSUE OF TARIFF ENFORCEMENT. HIGHER THAN NECESSARY FARES CONTRIBUTE TO EXCESS CAPACITY, AND THEN ENCOURAGE REBATES, DISCOUNTS, AND OTHER FORMS OF TARIFF EROSION, AS AIRLINES ATTEMPT TO FILL SEATS AT LOWER THAN ESTABLISHED FARES RATHER THAN HAVE THEM UNSOLD.

"AS FOR CHARTER SERVICES, THE U.S. BELIEVES THAT THEY, LIKE SCHEDULED SERVICES, HAVE AN ESSENTIAL ROLE TO PLAY IN THE INTERNATIONAL AVIATION SYSTEM, AND THAT THERE SHOULD BE A FAIR OPPORTUNITY FOR EACH OF THESE MODES TO COMPETE. SCHEDULED SERVICES SHOULD BE ASSURED AT ESSENTIAL LEVELS. AT THE SAME TIME, HOWEVER, THERE IS A SUBSTANTIAL NEED FOR CHARTER SERVICES TO ATTRACT THE PRICE SENSITIVE PASSENGER, WITH THE CONSEQUENT DEVELOPMENT OF TOURISM, WHICH IS A HIGH PRIORITY ECONOMIC OBJECTIVE OF MOST COUNTRIES, PARTICULARLY THOSE IN THE COURSE OF ECONOMIC DEVELOPMENT.

"IN SUM, ALL FOUR AGENDA ITEMS OF THIS CONFERENCE ARE CLOSELY

INTER-RELATED. THE U.S. BELIEVES THAT IT IS ESSENTIAL THAT ALL GOVERNMENTS, IN ADDRESSING THE WORK OF THIS CONFERENCE, GIVE FULL CONSIDERATION TO THE INTER-RELATIONSHIPS INVOLVED. IN THIS WAY, WE CAN MOVE TOGETHER TO ACHIEVE THE GOALS AND OBJECTIVES SET FORTH IN THE CHICAGO CONVENTION, SO THAT INTERNATIONAL AIR TRANSPORTATION CAN MAKE A MAXIMUM CONTRIBUTION TO THE ECONOMIC WELFARE OF ALL COUNTRIES."

4. DRK, NON-CONTRACTING STATE, MADE POLITICAL STATEMENT CALLING FOR ENDING DIVISION OF KOREA. ROK RAISED POINT OF ORDER AND REQUESTED TIME FOR REFUTATION. CHAIRMAN GRANTED THIS TIME AT END OF PLENARY BUT REQUESTED DELEGATE TO BEAR IN MIND THAT AIR TRANSPORT WAS SUBJECT OF CONFERENCE. ROK THEN REFERRED TO "OUTRAGEOUS STATEMENT" OF DRK AND STATED ICAO SHOULD NOT BE USED FOR POLEMICS.

HARPER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: AIR TRANSPORTATION, TEXT, MEETING REPORTS, SPEECHES
Control Number: n/a
Copy: SINGLE
Sent Date: 14-Apr-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MONTRE00606
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770130-1270
Format: TEL
From: MONTREAL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770458/aaaabxsv.tel
Line Count: 131
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: dd3c23a5-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 12-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2807455
Secure: OPEN
Status: NATIVE
Subject: ICAO: FIRST REPORT US DEL/SPECIAL AIR TRANSPORT CONFERENCE, APRIL 13.
TAGS: EAIR, PORG, ICAO
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/dd3c23a5-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009